UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

Christopher W. Zelov 609 N. 17th St. Philadelphia, PA 19130 Plaintiff, v. Paul Singer d/b/a Singer Financial Corp. 630 Kurtz Mill Road Mohnton, PA 19540 And Singer Financial Corp. 1708 Locust Street Philadelphia, PA 19103 Defendants.	NO.: **JURY TRIAL DEMANDED**

CIVIL ACTION COMPLAINT

I. JURISDICTION AND VENUE

1. Jurisdiction in this Honorable Court is based on federal question conferred by 28 U.S.C. §1331 and 18 U.S.C. §1961 seq.; supplemental jurisdiction over state law claims is granted by 28 USC §1367.

2. Venue appropriately lies in this district as the events giving rise to this claim occurred here, at least one Defendant maintains a principal place of business here, and at least one Defendant resides here.

II. Parties

3. Plaintiff, Christopher W. Zelov, is an adult individual currently residing at the above captioned address.

4. Defendant, Paul Singer, doing business as Singer Financial Corp. ("Singer"), is an adult individual currently residing at the above captioned address. At all relevant times, Singer was President and Treasurer of Singer Financial Corp., which operated as a alter ego to Singer.

5. Defendant, Singer Financial Corp., is a private financial institution and a corporation duly existing under the laws of the Commonwealth of Pennsylvania, with its principal place of business at the above captioned address.

III. Operative Facts

6. In or about 2010, Plaintiff was in the process of getting divorced and was in need an of equity loan for both personal purposes and business development.

7. On or about December 30, 2010, Plaintiff entered into a financing agreement with Defendants for a loan of approximately $130,000. (Exhibit A – Loan Agreement) ("Loan Agreement"). Defendants drafted the Loan Agreement.

8. Per the terms of the Loan Agreement, Plaintiff was to make monthly payments of $1,750 for sixty months with the entire balance due in full on the 60th month. Plaintiff was charged an interest rate of 14.00% per annum.

9. Upon information and belief, monthly payments of $1,750 fully covered the interest on the loan and paid down the balance by approximately $235 each month.

10. As security for the loan, Plaintiff executed a mortgage indenture of his property located at 3115 Gallows Hill Rd; Durham, PA 18039 ("Property"). (Exhibit B – Mortgage Indenture) ("Mortgage Indenture").

11. Plaintiff immediately starting making monthly payments to Defendants of $1,750. Plaintiff never missed a payment.

12. In or around Winter 2014, Plaintiff decided to sell the Property. Plaintiff advertised and found a potential buyer. However, before Plaintiff could execute a sale to the potential buyer, Plaintiff had to pay Defendants' loan in order to remove the Mortgage Indenture on the Property.

13. In April 2014, Plaintiff approach Defendants about paying off the remaining balance. Upon information and belief, the remaining balance was approximately $121,000.

14. However, Defendants, upon realizing that Plaintiff had a potential buyer and needed to move quickly in order to remove the Mortgage Indenture, demanded $262,000. Defendants provided no explanation as to how this was calculated and why they were demanding so much.

15. Upon information and belief, Defendants took advantage of Plaintiff's situation and need to remove the Mortgage Indenture in a timely fashion in order to avoid losing the potential buyer.

16. In fact, Defendants even threatened to foreclose on Plaintiff's Property if Plaintiff did not pay $262,000 to remove the Mortgage Indenture. Defendants told Plaintiff that they would hold him in default, even though he had never missed a payment.

17. As a result, Plaintiff paid $262,000 to payoff the balance of the loan.

18. Upon information and belief, Defendants regularly take advantage of their clients in a similar fashion to that described above. *See Stoss v. Singer Fin. Corp.,* No. CIV.A.08-5968, 2010 WL 678115, at *3 (E.D. Pa. Feb. 24, 2010)*; 527-33 Hamilton Street – GP, LLC v. Singer Financial Corp, et al,* 2:06-CV-05044 (EDPA 2006); Pasternak, et al v. Burns, et al, 2:06-cv-01818 (EDPA 2006).

19. As a result, Plaintiff experienced significant financial loss and significant emotional distress.

IV. Causes of Action

COUNT I
Civil RICO

20. Plaintiff incorporates by reference all prior paragraphs above as if same were fully set forth at length herein.

21. Plaintiffs and Defendants are "persons" within the meaning of 18 U.S.C. §1961(3).

22. Defendants collectively and/or individually, and/or including and by and through others, constitute an association in fact enterprise within the meaning of 18 U.S.C. §1961(4).

23. Defendants through their agents, servants, workmen and employees, in their statements, conversations, and advertising between Defendants, among other conduct and including between other persons, utilizing the internet, mail, telephone wires, and facsimile transmittals through the telephone wires, constitute violations of the Federal Mail and Wire Fraud Statutes, 18 U.S.C. §1341 and §1343, in that they make use of the United States interstate mail and wires in furtherance of a scheme to defraud, and contain numerous false statements as alleged herein.

24. The aforesaid scheme to defraud specifically included, but was not limited to, Defendants collectively and/or individually inducing individuals to enter into financial agreements as described herein, then demanding payment of improper charges to which Defendants were not entitled, and by fraudulently misrepresenting that the charges with due and assessable, to Plaintiff's financial detriment and Defendants' financial gain.

25. Defendants have committed more than two (2) predicate acts of racketeering activity, as defined by 18 U.S.C. §1961(1), thereby constituting a pattern of racketeering activity, as defined by 18 U.S.C. §1961(5).

26. Defendants predicate acts include but are not limited to the following:

a. Defendants emailed Plaintiff concerning the loan agreement in order to induce him to finance with Defendants; 18 U.S.C. § 1961(1);

b. Defendants engaged in telephone conversations with Plaintiff concerning the loan agreement in order to induce him to finance with Defendants; 18 U.S.C. § 1961(1);

c. Defendants made use of interstate commerce and/or mail for the delivery of the executed contract;18 U.S.C. § 1961(1);

27. The Defendants' Enterprise is engaged in or affects interstate commerce.

28. WHEREFORE, Plaintiff demands judgment in his favor and against Defendants, individually, jointly and/or severally, in an amount in excess of fifty thousand dollars ($50,000.00), including punitive damages and further relief as this Honorable Court deems necessary and just, including attorney's fees and costs.

COUNT II
Pennsylvania Unfair Trade Practices and Consumer Protection Law

29. Plaintiff incorporate by reference all prior paragraphs above as if same were fully set forth at length herein.

30. Plaintiff and Defendants are "Persons" defined by 73 Pa. C.S. §201-2.

31. The Pennsylvania Unfair Trade Practices and Consumer Protection Law ("UTPCPL") proscribes, inter alia, engaging in any "unfair and deceptive acts or practices" either at, prior to, or subsequent to a consumer transaction.

32. The actions of Defendants, as aforesaid (incorporated by reference), constitute unfair or deceptive acts and practices under UTPCPL.

33. As a direct and proximate result so the said actions, Plaintiffs have suffered harm (incorporated by reference).

34. The UTPCPL authorizes the Court, in its discretion, to award up to three times ("treble") the actual damages sustained for violations, for which relief Plaintiffs request.

WHEREFORE, Plaintiff demand judgment in his favor and against Defendants, individually, jointly and/or severally, in an amount in excess of fifty thousand dollars ($50,000.00), including punitive damages and further relief as this Honorable Court deems necessary and just, including attorney's fees and costs.

COUNT III
Breach of Contract / Covenant of Good Faith & Fair Dealing

35. Plaintiff incorporates by reference all prior paragraphs as if fully set forth at length herein.

36. Defendants' aforementioned conduct constitutes a breach of the formal financing agreement, and the covenant of good faith and fair dealing, express, implied, and as a matter of law.

37. As a direct and proximate result of the aforesaid breach of the agreement, Plaintiffs have been damaged as set forth above.

WHEREFORE, Plaintiff demands judgment in his favor and against Defendants, individually, jointly and/or severally, in an amount in excess of fifty thousand dollars ($50,000.00), including punitive damages and further relief as this Honorable Court deems necessary and just, including attorney's fees and costs.

COUNT IV
Unjust Enrichment

38. Plaintiff incorporates by reference all prior paragraphs as if fully set forth at length herein.

39. Due to Defendants' aforementioned conduct, Defendants received and retained a benefit to which Defendants were not entitled.

40. Defendants have been unjustly enriched, as described herein.

41. Defendants aforementioned conduct was neither privileged, nor justified.

42. As a direct and proximate result of the aforesaid breach of the agreement, Plaintiffs have been damaged as set forth above.

WHEREFORE, Plaintiff demands judgment in his favor and against Defendants, individually, jointly and/or severally, in an amount in excess of fifty thousand dollars ($50,000.00), including prejudgment interest and further relief as this Honorable Court deems necessary and just, including attorney's fees and costs

WEISBERG LAW

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Matthew B. Weisberg, Esquire
L. Anthony DiJiacomo, III, Esquire
Attorneys for Plaintiff